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President Reportedly Had CIA Avoid Usual Channels

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WASHINGTON—President Reagan, relying on a controversial provision in the intelligence laws, signed a directive almost a year ago ordering the Central Intelligence Agency to join in the secret weapons-for-hostages negotiations with Iran and to conceal its activities from Congress, a government official familiar with the operation said Friday.

The directive cloaked an extensive CIA role in the operation, including supplying the National Security Council with intelligence data and logistical support for the venture, and probably planning and cover for secret weapons shipments as well, the official said. In addition, White House spokesman Larry Speakes said Friday that the CIA was represented at each of the secret negotiating sessions between U.S. envoys and Iranian leaders held in Europe and Tehran.

Reagan's unusual order, and the CIA's subsequent activities, reflect the fact that the Iran operation was carefully constructed in two respects. It was at the limits of legal restrictions on such activities, in the Administration's view, and it by-passed completely the channels normally used for planning and carrying out even clandestine foreign policy and intelligence activities.

Yet this approach—reinforced by the operating style of national security adviser John M. Poindexter and by the evolving role of the National Security Council in such activities—shaped the operation in ways that have ultimately eroded the credibility of Reagan's public campaign against terrorists and created severe problems for the Administration with Congress, U.S. allies and others.

The White House thinking, said one congressional official, was that "This is extraordinarily sensitive. Nobody can know about it. We can't trust the State Department." But that official and others said the Iran project's extreme secrecy shielded it from the expert scrutiny routinely given other major policy initiatives—a process of analysis that might have led to changes or even scrubbing of the venture.

And when the secret was revealed to the President's shocked political backers this week, the White House was bereft of the support it normally can summon from those taken into its confidence.

"There is a tremendous amount of unhappiness among the President's personal constituents," one Administration official said. "And his constituents on Capitol Hill are almost unanimous in registering their dismay."

So tightly wrapped was the affair that no more than five or six White House officials—the President, Poindexter, his aide Marine Lt. Col. Oliver L. North and three persons in North's office—had direct knowledge of its operational details, officials say.

In the case of the CIA, Reagan's unusual order—and the CIA's later activities—have yet to be fully explained to congressional leaders, who were told about the Iran operation for the first time in a White House briefing on Wednesday. In that briefing, Administration officials suggested CIA involvement had been marginal at most.

"If those things are true," said Senate Intelligence Commitee spokesman David Holliday in reaction to Speakes' comment Friday about CIA involvement, "that's contrary to what we were told (earlier)."

With even most of the National Security Council staff excluded, the only people reliable enough to plan and support the project, White House planners apparently concluded, were at the CIA.

It was a decision which now appears likely to produce the most telling political damage in the wake of this week's revelations, for the CIA is subject to special scrutiny by Congress. And the President—acting on the advice of Atty. Gen. Edwin Meese III, Meese himself said Thursday—decided early in the operation that Congress would not be told of the venture for fear that it would be leaked.

A welter of federal laws, many stemming from the CIA abuses of the Watergate era, require agency officials to inform Congress in advance of any intelligence-agency operations in a foreign nation beyond normal information-gathering duties.

The key legal issue is likely to be a complex question of whether or not the White House met the law's demand for "timely" notification of at least some congressional leaders.

The White House contended privately on Thursday that its actions were perfectly legal. And Senate Intelligence Committee chairman Dave Durenberger, who has expressed concern at not being told of the operation, said Thursday that he believes the White House's secrecy bends the spirit of the law, but probably not its letter.

The National Security Council "structured their mission" in such a way as to avoid having to notify Congress, Durenberger said. He added that he had warned the Administration in a 1985 speech that its penchant for secrecy would "blow up in your face.

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"But they live in fear of revelations," he said.

On Friday, a specialist on the CIA and former aide to both the House and Senate intelligence committees called Reagan's decision to withhold notification an "unambiguous" violation of a 1980 law, commonly called the Intelligence Oversight Act, strengthening Congress's power to review CIA and other intelligence-agency operations.

The law in question amends the 1947 National Security Act, the granddaddy of intelligence laws and the charter of the National Security Council. Among other points, it mandates that the intelligence panels be "fully and currently" told of CIA actions, including "significant anticipated activities." Such activities are specifically defined in another law to include covert foreign-nation actions certified by the President as in the national interest.

A clause in the amendment allows the White House to constrict that notification—under "extraordinary circumstances affecting the vital interests of the United States"—from the intelligence committees to a group dubbed the "Gang of Eight." The members are the four GOP and Democratic congressional leaders and the chairmen and vice-chairmen of the two intelligence panels.

That reporting requirement is ironclad, contended University of Georgia professor Loch Johnson, who worked until 1979 as aide to the late Senate Intelligence panel chairman Frank Church (D-Idaho) and then to former House committee member Les Aspin (D-Wisc.).

"I defy anyone who knows basic English to take the law out and read it and tell me otherwise," he said. "It requires prior notification. Even in so-called times of emergency, the prior notification has to come to the Gang of Eight."

But a senior White House official speaking to reporters on background Thursday evening, cited yet another clause in the law. That clause, dubbed the "timely notice" paragraph, requires that the intelligence panels be told of covert actions in "timely fashion" if not notified in advance as the law seems to require.

"Timely fashion" has never been defined. Prof. Johnson contends that it traditionally has been judged to be 24 hours; the White House official contended it extends to the summer of 1985, when the operation began.

"The President's judgment as to what's timely," he said. "The reasons (for not notifying Congress) were because of the sensitivity of the operation and the safety of the hostages."

Said a Senate Intelligence Committee aide on Friday: "The members of the committee probably do not believe 18 months is timely fashion."

Under Poindexter, and his immediate predecessor, Robert C. McFarlane, the National Security Council director has become the center of a small network of action-oriented aides with direct ties to like-minded officials in the Defense Department, State Department and the intelligence community, Administration sources say.

And that tendency has been reinforced by the reporting restrictions Congress placed on the CIA when it is involved in covert operations.

"This is like a little cell within the NSC, a little nucleus within the NSC staff, very close to Poindexter, with lines out to some people in this building (the Pentagon) and to the State Department, who delight in this sort of covert activity," said one Pentagon official.

The official, speaking on the condition of anonymity, was clearly upset over this trend. He put Col. North in this group, and added: "I'd take Ollie North and dump him right over the cliff."

"Starting with [Henry] Kissinger, the national security advisers have moved from being an anonymous, behind-the-scenes coordinator to a small department which frames policy, which directs how operations should be run."

Kissinger, who served as national security adviser and then secretary of state under President Richard M. Nixon, and President Jimmy Carter's national security adviser, Zbigniew Brzezinski "both fashioned themselves as global geo-political thinkers," this official said. "I don't think Poindexter views himself as a cosmic, global thinker. He's more operations-minded."

"What disturbs me is that the President can be influenced by a small group of people who don't see themselves as responsible to the Secretary of State and the Secretary of Defense" and who don't give much weight to their views, he said.

Said one senior official of Poindexter, "John is a person whose career has been devoted to gettings things done and solving problems. He approaches the job that way, not being ideologically wedded to a policy. There are a lot of things that are politically sensitive—like Iran—that John would be fearless on. And it will cost him. He's not going to be as politically sensitive, or sensitive to public opinion. This means he'll get things done that will go down poorly with the public and Congress."

In the days after the broad outlines of the venture became public, Poindexter led a fierce behind-the-scenes battle to keep its most intimate details from being revealed—a fight in which he initially prevailed over angry protests from White House spokesman Speakes and chief of staff Regan, sources say.

The unusual stealth was part of the very conception of the operation in midsummer of last year, when McFarlane was national security adviser and Poindexter his deputy.

In public explanations this week, White House officials stressed that the first deliberations over the Iran venture included not just the President, McFarlane and Poindexter, but Shultz, Weinberger, Vice President George Bush, Atty. Gen. Meese and other top-level presidential aides.

But as one of those aides told a clutch of reporters in a Thursday autopsy of the operation, "within their bureaucracies, it's (knowledge of the operation) been extremely limited." Just how limited has not become apparent until late this week, when the White House decision to go public about the operation convinced more reluctant officials to talk as well.

Within the State Department, Undersecretary Michael L. Armacost, the department's political affairs czar, may have known. But only the barest hints of the project ever reached the department's assistant secretary for near east affairs, Richard W. Murphy, a Murphy aide said, and Murphy apparently brushed those hints aside.

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Murphy was actively traveling the Mideast, pressing the Reagan Administration's stated policies on terrorism, the Iran-Iraq War and other crucial issues, at the same time the clandestine policy was being drafted and executed.

During the same period, top officials in Murphy's division—unaware of the on-going NSC operation—drafted and sent to higher levels their own proposal for quiet diplomatic openings to Iran, only to have the proposal thrown repeatedly back in their faces, without explanation.

"We could never get it past Shultz," one said, ruefully, last week.

Nowhere was the befuddlement greater than in the White House itself, however, where execution of the plan was carefully limited to Reagan, Regan, Poindexter and the National Security Council's office of political-military affairs, one of 11 NSC subdivisions.

North is one of two deputy directors of that office. But the senior director, Howard J. Teischer, also played an active role in Iranian overtures and, according to one outside observer, may even have accompanied McFarlane and North on the ill-fated trip to Tehran last May.

Teischer, a Middle Eastern expert, gained repute among reporters this year as a prime source of a spectacular—and apparently deliberately inaccurate—story alleging that the United States was moving toward military action against Libya, a story that later became identified with a Poindexter-approved "disinformation" campaign against Libyan leader Moammar Kadafi.

The four or five NSC offices that normally would have been tapped for advice and information on policy changes were omitted from participation in the Iranian project.

That left the CIA—with all the potential for legal and political problems its use entailed.